

Daily Economic News Summary: 23 February 2017

1. Airtel buys Telenor India in seven circles

Source: Live Mint ([Link](#))

India's largest telco Bharti Airtel Ltd on Thursday said it has entered a definitive agreement with Telenor South Asia Investments Pte Ltd to acquire Telenor Communications Pvt. Ltd (Telenor India). The acquisition is subject to requisite regulatory approvals. The valuation of the deal was not disclosed. "The proposed acquisition will include transfer of all of Telenor India's assets and customers, further augmenting Airtel's overall customer base and network. It will also enable Airtel to further bolster its strong spectrum footprint in these seven circles, with the addition of 43.4 MHz spectrum in the 1800 MHz band," the company said in a statement. As part of the agreement, Airtel will acquire Telenor India's running operations in seven circles—Andhra Pradesh, Bihar, Maharashtra, Gujarat, Uttar Pradesh (East), Uttar Pradesh (West) and Assam. These circles represent a high population concentration and, therefore, offer a high potential for growth.

2. CDPQ arm Ivanhoé Cambridge partners Piramal, commits \$250 million

Source: Live Mint ([Link](#))

Piramal Enterprises Ltd has entered into a strategic partnership with Ivanhoé Cambridge, a real estate subsidiary of Caisse de dépôt et placement du Québec (CDPQ), Canada's second-largest pension fund, to provide long-term equity capital to top residential developers across five cities. Ivanhoé Cambridge will allocate an initial \$250 million and Piramal will commit an additional amount and co-invest between 25% and 50% in each transaction. The total investment may scale up to \$340 million between the partners. The capital, which will be in the form of pure and structured equity, will be deployed in about three years with a seven-10-year investment horizon. Like in most other so-called platform arrangements, this too will see co-investments in each transaction between Ivanhoe, Piramal and the concerned developer.

3. Asian Granito to invest Rs. 20 crore in third line for quartz stone at Himmatnagar

Source: Hindu Business Line ([Link](#))

Tile maker Asian Granito India Ltd is investing Rs. 20 crore in setting up a third line of quartz stone facility at its Himmatnagar plant in Gujarat, dedicated for exports, for doubling its capacity. Post expansion, the company's capacity of its quartz stone segment will increase from the existing 2.64 lakh sq.m. To 5.28 lakh sq.m. Per annum. The new expansion is likely to fetch additional sales of Rs. 60 crore in FY 2017-18. Target market for the new quartz plant will be counter tops and interiors (floor) in kitchen, malls, airports, high-end hotels and other places. Replacement of counter top is the largest market for engineered quartz in the USA, said Kamlesh Patel, Chairman and Managing Director. From its existing two lines, Asian Granito's current capacity of quartz stone stands at 800 sq.m. a day, which it plans to double to 1,600 sq.m. a day. The company is also launching 20 mm and 30 mm thickness slabs of quartz in the large format of 10.5x5.25 feet. The commercial production of the new range will start in April 2017.

4. Sun Pharma opens first production unit in Egypt

Source: Hindu Business Line ([Link](#))

Sun Pharma's first production unit in Egypt involving a total investment of USD 12.5 million has been inaugurated, signaling growing business ties between India and the key Middle East nation. India's Ambassador to Egypt Sanjay Bhattacharyya inaugurated Sun Pharma's Egypt factory in 6th October City, the first facility of the company in Egypt. "This is a particularly proud moment for us to raise the flag of India next to the flag of Egypt and that of Sun Pharma," Ambassador Bhattacharyya said during the inauguration on Monday. The Ambassador added that India and Egypt share a partnership that goes back to millennia and in recent time both countries have seen a new partnership in a new era. "President Abdel Fattah el-Sisi and Prime Minister Narendra Modi announced a joint statement (last year) in which they established this new partnership," he explained. "We have seen over the years that Indian investments had continued to come to Egypt because India believes in the long term prospects of Egypt," the Ambassador added.

5. Reliance AIF to raise Rs1, 000 crore fund

Source: Live Mint ([Link](#))

Reliance AIF Asset Management Co. Ltd is raising its first credit fund of Rs1,000 crore called Reliance Yield Opportunity AIF Scheme 1, a company executive said. Reliance AIF, a unit of Reliance Nippon Life Asset Management Ltd, expects the new fund to achieve its first close in March. A first close is the point at which a fund in the process of raising money starts investing.

"We are seeing a lot of interest for this fund. We are hoping to reach a first close by mid-March. We have already got a strong pipeline of deals in place and we are looking to consummate a

couple of transactions around the first close,” said Shahzad Madon, head of portfolio management services and alternative assets at Reliance Nippon Life Asset Management Ltd. The fund manager is targeting to raise Rs250 crore, with a green shoe option of Rs750 crore. A green shoe option refers to additional money raised that a fund may choose to retain.

By Shreya Chopra

